

**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)  
ANIMAL HEALTH AND FOOD SAFETY SERVICES (AHFSS)  
MEAT, POULTRY AND EGG SAFETY BRANCH (MPES)  
SHELL EGG ADVISORY COMMITTEE (SEAC)  
MEETING MINUTES  
January 17, 2014**

**Location: California Department of Food and Agriculture  
2800 Gateway Oaks, Room 267  
Sacramento, CA 95833**

Item  
No.

**(1) CALL TO ORDER**

Michael Sencer, Chair, called the SEAC meeting to order at 9:33 a.m. and a quorum was established.

**(2) ROLL CALL**

Roll was taken by Tony Herrera, Program Supervisor, Egg Safety and Quality Management (ESQM).

**Committee Members Present:**

Michael Sencer, Chair  
Wayne Winslow, Vice Chair  
Steve Mahrt, Petaluma Farms  
Gary Foster, Southern California Egg Cooperative  
Michael Gemperle, Gemperle Family Farms  
David Will, Chino Valley Ranchers  
Gary Caseri, Public Member  
Don Brown, Alternate  
Richard Jenkins, Alternate  
Milton O'Haire, CACASA Representative

**Interested Parties:**

Debbie Murdock, Pacific Egg and Poultry Association  
Glenn Hickman, Hickman Eggs  
Tim Pelican, Stanislaus County  
Neal Rye, Hidden Villa Ranch

**CDFA:**

Dr. Annette Jones, Director  
Dr. Doug Hepper, Branch Chief  
Tony Herrera, Program Supervisor  
Dr. Ken Takeshita, Southern District Supervisor (North Area)  
Rosie Martin, Account Clerk II

**(3) APPROVAL OF MINUTES – NOVEMBER 14, 2013 AND DECEMBER 12, 2013**

Chair Sencer asked the committee to review the November and December meeting minutes.

Chair Sencer asked for a motion to be made to accept the November minutes as submitted.

After some discussion about the December minutes, it was decided that since Mr. Gemperle and Mr. Mahrt's terms had expired, they would be listed as interested parties, not members on the roll call section.

**Motion #1:** A motion was made by Mr. Gemperle to accept the November minutes. Mr. Will seconded. The motion passed unanimously.

**Motion #2:** A motion was made by Mr. Will to accept the December minutes with corrections. Mr. Foster seconded. The motion passes unanimously.

**(4) BAGLEY-KEENE ACT REVIEW**

Mr. Herrera asked the committee to review the Bagley-Keene Act handouts provided in the packets. He discussed key points about public meetings being open to the public.

- Any teleconference votes/motions must be done using roll call.
- A disclaimer was added to the sign in sheet. Signing it is not mandatory, and will not prohibit anyone from participating in the meeting.
- If a majority of the committee is on a sub-committee, the same requirements of a committee meeting are mandatory by the subcommittee: post announcements, agendas, and meeting locations for public.
- A committee member has to be present at each teleconference location listed.
- Any issue discussed by the committee pertaining to committee issues is subject to the public information records act.

Dr. Jones also reminded the committee that members appointed to the SEAC are there to advise the Secretary, serve the public's interest, and the shell egg industry as a whole.

Furthermore, Dr. Jones discussed how expansion to the committee and the selection process of new members would be reviewed by the Bylaw Sub-Committee, which includes the Chair of the sub-committee, Mike Sencer, Gary Foster, David Will, and Debbie Murdock; and a fair recommendation process would be presented to the committee at the next meeting. It was suggested additional recommendations for vacancies on the committee be presented to the Secretary to promote a more diverse group representing all aspects of the industry.

The discussion moved to out-of-state companies. It was requested by the committee to compile a list of all out-of-state companies and the California designees they have listed as an agent for their company. The list would be compiled and presented to the committee at the next SEAC meeting scheduled for March 11, 2014.

**(5) BUDGET/FUND CONDITION REPORT**

Mr. Herrera presented an update on the current collection and expenditures thus far. Discussion followed regarding the possibility of increasing the assessment rate to the maximum allowed, \$0.15. This would increase the balance of ESQM's reserve for the upcoming 2015 year, when

new regulations are implemented and provide for funds to defend possible law suits related to the new regulation. A Budget Sub-Committee was developed, which includes Mike Sencer, David Will, Gary Foster and Wayne Winslow, who was appointed Chair. Items the Budget Sub-Committee will explore with the proposed assessment increase:

- ESQM will contact CDFA's Legal Office to request an estimate of costs to defend potential lawsuits relating to the Shell Egg Food Safety (SEFS) regulation.
- Projections of the best and worst case fiscal scenarios with the assessment at its current rate of \$0.10.

Mr. Herrera informed the committee that a Scope of Work is being developed for conducting SEFS audits, and will be submitted to CDFA's Contracts Office in an effort to hire third party auditors for out-of-state audits. After discussion, it was decided audits and inspections conducted by the new auditors and CDFA employees would be performed on a one for one basis: one in state and one out-of-state audit. The finalized SEFS manual will be sent to the committee by next week.

Mr. Herrera also informed the committee he is working on formulating a regulation on inspection and enforcement of liquid egg product. The proposed regulation would include regulatory criteria for product labeling and storage temperature.

(6) **SPECIALTY TERM SUB-COMMITTEE UPDATE**

Mr. Will gave an update to the committee. The following was discussed:

- Cage Free and Free Range terms that will be used are defined by the United States Department of Agriculture (USDA).
- A guidance document developed by the USDA for the term "Organic" will be a possible source to help define the term for ESQM labeling.
- Mr. Will welcomes any comments and ideas to further define all terms, and will provide an update on them at the next SEAC meeting.

(7) **FOOD SAFETY MODERNIZATION ACT (FSMA)**

Mr. Herrera provided a handout to the committee developed by the Department of Health and Human Services, Food and Drug Administration (FDA), focusing on the vulnerability of bulk liquids, such as liquid egg product, and its risk of intentional adulteration by acts of terrorism. Mr. Herrera advised the committee and industry that FDA will be enforcing rules in order to protect liquid products from possible acts of terrorism.

(8) **EXPANDING COUNTY CONTRACTS**

Mr. O'Haire spoke about the possibility of expanding contracts to counties not currently inspecting eggs at the county level. He has been contacted by multiple counties on the possibility of obtaining a state contract. Mr. O'Haire wants the Budget Sub-Committee to discuss the

possibility of expanding the contracts to additional counties and how it may impact the upcoming fiscal year budget.

(9) **SEAC EXPANSION DISCUSSION**

This agenda item was addressed while reviewing and discussing the Bagley-Keene Act.

(10) **PROGRAM UPDATES**

Mr. Herrera provided a handout of the current and a draft of proposed SEAC bylaws to review. A regulation is being developed outlining requirements to market shell eggs. The documents required would help in the process of SEFS inspections and audits. While discussing the certificate of movement, which would be part of the marketing of shell egg regulation, a specific mile radius pertaining to “locally produced” verbiage provided by USDA, which is 250 miles, was met with various opinions. After much discussion, it was decided comments on the subject will be provided at the next SEAC meeting in order to agree on a mile range.

The next SEAC meeting will be held on March 11, 2014 and the subsequent meeting will be held on April 24, 2014. Both will be held in Sacramento beginning at 9:00 a.m.

(11) **ELECTION OF 2014 CHAIR AND VICE-CHAIR**

**Motion #3:** A motion was made by Mr. Will naming Mr. Winslow as Chair and Mr. Sencer as Vice Chair. Mr. Foster seconded. The motion passed unanimously.

(12) **OTHER BUSINESS**

No other business was discussed.

(13) **ADJOURN**

**Motion #4:** A motion was made by Chair Winslow to adjourn the meeting. Mr. Will seconded. The motion passed unanimously. The meeting was adjourned at 1:37 p.m.

Respectfully Submitted:

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Rosemerry Martin